

MEMORANDUM FOR: Chief, Economics Group
Chief, Western Europe Branch
Chief, Eastern Europe/USSR Branch
Chief, Northern Branch

SUBJECT: Clandestine East-West Trade

REFERENCE: Request from Mr. Harriman, transmitted orally by DCI
via AD/ORE.

General.

Mr. Harriman indicated that earlier reports on this subject (IM-109, IM-96, IM-86, IM-75 and Supplement, IM-93, IM-71, IM-68) proved very useful, and requested that he be kept currently informed in this field. To meet this request, the following project is proposed:

Statement of Project.

Problem: To provide specific indications of clandestine East-West trade in Europe.

Assumptions: The request is based on the assumption that the continuation of illicit trade between Western Europe and the Soviet bloc would undermine the export control program and is consequently contrary to the security objectives of US foreign policy.

Scope: The report should contain a review of specific instances, indicating commodities involved, quantities, sources, destinations, methods, channels, and routes, whenever this information is available.

The report should also contain a general summary statement of the traffic, including comment on technics of evasion used.

Form: Intelligence Memorandum (IM-150), with possibly an ORE later.

Dates: To G/SI by Wednesday, 20 April, for dissemination immediately thereafter.

Branch responsible: Economics Group

Chairman: [REDACTED] Room 2215
"Q" Bldg., Extension 2969

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Departmental Responsibilities: None; not formally coordinated intelligence, but should not preclude consultation.

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[REDACTED]
Chief
Staff Intelligence Group